

News International Limited

6 September 2011

Contact: Corporate Affairs 020 7782 6019

Email from Tom Mockridge, Chief Executive, News International, to all NI employees and casuals, 6 September 2011, 9:30am

Dear Colleagues,

This has been an extremely testing time for everyone at News International. This email aims to update you on two things; the latest developments with the News of the World and also to let you know about some of the broader changes happening around NI as we move forward. It is also an opportunity for me to thank you for your hard work and perseverance during this difficult period.

Firstly, regarding the News of the World, 89 people have opted to take up the enhanced redundancy terms on offer. We continue to do everything we can to find jobs for those who were directly affected by the closure and already 23 positions around the business have been made available. We are also developing a digital business which will offer a further 21 jobs.

Secondly, as you know, our industry is changing rapidly and like other media organisations we must continually evolve how we work. We have been seeking efficiencies for some time and over the last few months 100 vacancies have not been filled.

In the period to the end of this financial year, we expect to reduce the News International workforce by 110 staff positions, out of a workforce of approximately 3,000. In addition there will be discussions with editors about the use of casuals.

From today we will be announcing changes to our business, starting with the areas first affected, and yesterday we began consultation with our staff association NISA over the proposals.

Despite this tough news, I have great confidence in NI and our future. We are continuing to invest in new products and quality content to protect our future and better equip us for the changing markets. Examples of this include:

- a state-of-the-art and simpler editorial system that will be easier for our print editions to use and enable print-to-digital conversion, which will minimise duplication;
- in Marketing and Sales, we are investing in a new customer management system to replace the many different databases currently used - this will help us with managing subscriptions to our titles better, both in print and digital;
- in Technology, we have invested heavily in web and app development to give our customers more choice around how they get our content.

These proposals are the result of long-standing plans which I, and the rest of the executive team, believe to be key to ensuring our titles, our brands and our future in print and digital remain an indispensable part of the national and international media.

Tom

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Notes for editors:

News International publishes The Times, The Sunday Times and The Sun. In terms of growth, share, circulation and reader engagement, the Company's titles are among the world's most successful. News Printers Group Limited prints the national titles and operates as a contract printing subsidiary for the three state of the art printing plants. Further brands which are part of the group include the Times Literary Supplement and milkround.co.uk. The News International group has an investment in fashion website BrandAlley.co.uk.

In 2007, News International became the UK's first carbon neutral newspaper publisher. This was achieved by increasing energy efficiency, switching to renewable energy and combined heat and power and purchasing high quality offsets.

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